VZCZCXRO2203 PP RUEHFK RUEHKSO RUEHNAG RUEHNH DE RUEHKO #1863 2260357 ZNR UUUUU ZZH P 140357Z AUG 09 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 5400 RUEKJCS/SECDEF WASHDC PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUYNAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY RHMFIUU/USFJ PRIORITY INFO RUEHFK/AMCONSUL FUKUOKA 5875 RUEHNH/AMCONSUL NAHA 8205 RUEHNAG/AMCONSUL NAGOYA 3308 RUEHKSO/AMCONSUL SAPPORO 6388 RUEHOK/AMCONSUL OSAKA KOBE 9684 RUEHBJ/AMEMBASSY BEIJING 0431 RUEHMO/AMEMBASSY MOSCOW 2983 RUEHUL/AMEMBASSY SEOUL 7094 RUCNDT/USMISSION USUN NEW YORK 6722 RHEHAAA/NSC WASHDC

UNCLAS TOKYO 001863

SIPDIS

STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR, EAP/J, EAP/P, PM;
USTR FOR PUBLIC AFFAIRS OFFICE;
TREASURY FOR OASIA/IMI;
SECDEF FOR OASD/PA;
CP BUTLER OKINAWA FOR AREA FIELD OFFICE;
PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

E.O. 12958: N/A

TAGS: OIIP KMDR KPAO JA

SUBJECT: TOKYO MEDIA REACTION - U.S. ECONOMY AND NORTH KOREA

- 11. LEAD STORIES: Front-page stories on Friday morning included North Korea's release on Thursday of a South Korean worker it had detained since March.
- 12. "Resilience of U.S. Economy Remains Weak" The business-oriented Nikkei editorialized (8/14): "The view has become prevalent in financial markets that the U.S. economy has emerged from a long tunnel and is heading toward recovery. Although recent economic indicators showed some signs of recovery, we should not relax our guard. We may have overcome the worst, but we should bear in mind that the economy's resilience is weaker than before."
- 13. "North Korea Takes Step toward Talks with U.S.?" The business-oriented Nikkei ran a correspondent's report from Seoul saying (8/14): "Following the release on August 5 of two female American journalists, North Korea freed a male worker for South Korea's Hyundai group on Thursday. The move was apparently aimed at taking a step toward comprehensive direct talks with the U.S. Pyongyang apparently intended to demonstrate to the international community that it has altered the hard-line policy it has been taking since April, including conducting a nuclear test, and now seeks dialogue. However, North Korea has consistently refused to abolish its nuclear programs. We have reached a stage in which maintaining and strengthening coordination among the U.S., Japan, and South Korea is called for."
- 14. "North Korea Seeks Practical Benefits?" The conservative Sankei wrote from Seoul (8/14): "North Korea on Thursday released a male worker for South Korea's Hyundai group who had been detained for four and a half months. Following its release of the female American journalists as a result of former President Clinton's visit to Pyongyang, North Korea altered its hard-line approach and showed flexibility toward South Korea. Although Pyongyang appears to be looking for 'practical benefits,' such as economic assistance, from South Korea, it remains unclear whether North-South relations will

improve significantly."

ZUMWALT